AQM Subcommittee Meeting
Team 1 Recommendations

June 27-28, 2006

Atlanta, Georgia

Team 1 Recommendations

- **Team 1 has a set of recommendations in the following 3 categories:**
  - Defining the Problem & Setting the Right Priorities
  - Air Quality Planning Process
  - AQM Coordinating Function

Defining the Problem & Setting the Right Priorities

- Three overall recommendations
  - Improve environmental and health data to better characterize air quality
  - Improve the priority setting process by creating mechanisms to systematically realign resources and regulatory focus toward greatest health and environmental risk
  - Improve accountability by systematically monitoring progress and evaluating results

Defining the Problem & Setting the Right Priorities (cont.)

- These recommendations have multiple implementation recommendations
- Some of these recommendations build on Phase 1 actions

Air Quality Planning Process

- Comprehensive Air Quality Management Plan
- Determining Meaningful Boundaries
- Local Air Quality Planning
- Continuous Improvement
- Episodic Control Measures
- Reasonable Performance Level Concept

Comprehensive Air Quality Management Planning

- Broad overarching concept that many of the recommendations may fit under
- Each State would develop an overall AQMP that is multi-pollutant-based and which addresses all critical air pollutant issues
- Parts would be federally enforceable
- Implementation would occur in two phases
- AQMP would form the basis for creating multi-state/regional AQMPs in the future
- Additional work is needed on details
  - how to move toward State development of AQMPs
  - timing / planning cycles

Comprehensive AQMP: Phase 1

- In Phase 1, the AQMP would act as an umbrella document, with no CAA amendments needed
- The AQMP would include:
  - individual/integrated SIPs (that considers HAP), as required by the CAA
  - sector-based reductions of HAP and criteria pollutants
  - plans for visibility protection (e.g., regional haze SIPs) and ecosystem protection
  - plans for addressing local environmental issues
  - plans to address issues that relate to air quality (e.g., energy policy, climate change, transportation, and land use)

Comprehensive AQMP: Phase 2

- In Phase 2 (Scenario 3), the AQMP would be a comprehensive, integrated plan for addressing all critical air pollution issues within a State, with CAA amendments needed
- The AQMP would include:
  - plans for attaining the NAAQS, for obtaining sector-based reductions of HAP and criteria pollutants, for addressing visibility (e.g., regional haze), and for protecting ecosystems
  - plans for addressing local environmental issues
  - plans to address issues that relate to air quality (e.g., energy policy, climate change, transportation, and land use).

Determining Meaningful Boundaries

- Use regional airsheds to approximate the boundaries of emission source areas most likely to contribute to nonattainment areas.
- The subgroup further recommends that regional multi-State organizations (MSO's) be used as the coordinating vehicle for management of the Airshed Planning Regions.

Determining Meaningful Boundaries

- Nonattainment areas will still represent areas with poor air quality and be the focus of State/Tribal SIPs.
- Airshed Planning Regions look at the regional context of air pollution sources and how it affects nonattainment areas.
- Regional MSO's will provide the forum for bringing the regional States together for coordination and planning.
- EPA will still need to seek out pollution controls on a national or sub-national level and will provide resources as needed to study air pollution emissions, transport and the coordination of MSO's.

Local Air Quality Planning

- Local/tribal governments should be encouraged to integrate air quality planning into their land use, transportation, and community development plans when high population growth is occurring.
- Implementation will require considerable work especially with the local governments that are most likely to be affected. Regulations will be necessary and tools and guidelines for local governments are essential. States will likely have a role in assisting locals or deciding when high growth areas will become subject to the local planning requirement.

Continuous Improvement

- Combination of options both voluntary and regulatory be considered to achieve continuous improvement.
- Recommendations include several options for strengthening and enhancing various market-based programs to encourage continuous improvements. The subgroup feels that a one-size-fits-all recommendation cannot be made and that multiple programs should be pursued simultaneously.
- Additional work needed on defining what the term means and putting boundaries around when may not be appropriate to continue.

Episodic Control Measures

- Expand use of episodic control measures to attain and maintain ambient air quality standards
- A number of implementation issues must be addressed.

Episodic Control Measures

Options for Implementation:

- Expand federal research and technical assistance to communities regarding the design, implementation and evaluation of successful programs to reduce peak day emissions from non-stationary sources.
- Expand the use of stationary source episodic control measures as a backup insurance mechanism (i.e., outside the scope of an approved SIP) for areas struggling to maintain the short-term ambient standards.
- Remove any legal uncertainty regarding SIP credit for intermittent controls at stationary sources.

Reasonable Performance Level Concept

- Concept: Over a period of time, all sources of air pollution will demonstrate that they are achieving RPLs to control emissions
  - Basic idea that for other programs such as water and hazardous waste, it is not acceptable to pollute at any level
- Significant issues remain with concept:
  - Who will this apply to?
  - What is meant by reasonable?
  - Would there by off-ramps?
- The form and substance of this concept will be developed with consideration of applicable emission control regulations, technical feasibility, and costs as well as all fuel, operational and emission control options.

AQM Coordinating Function

- Local and Tribal government engagement
- Incentives for voluntary/innovative approaches
- Federal Interagency Liaison Group
- Reducing demand for polluting activities
- Statutory analysis for P2 and EE/RE
- Overcoming barriers to clean energy/air quality integration
- Taking climate change into account in AQM strategies

Local and Tribal Government Engagement

- AQM process should support transportation and land use scenario planning at the multi-jurisdictional, tribal and local levels and other means to identify emissions reduction opportunities and improve tribal and local engagement
  - Encourage States and Tribes to coordinate with multi-jurisdictional planning organizations and tribal and local governments, including by aligning planning schedules at the State and local levels.
  - Encourage Local Governments to conduct visioning and scenario planning
  - Explore the advantages and disadvantages of mandatory and voluntary visioning and scenario planning
  - Allow SIP/TIP credit and make available other forms of recognition or alternative “credit” (Recommendation 1)

Incentives for Voluntary/ Innovative Approaches

- AQM process should include incentives for voluntary and innovative land use, energy and transportation technologies or approaches
  - Develop a communication strategy to inform interested stakeholders about existing programs.
  - Develop new programs that motivate voluntary and innovative measures.
  - Establish more flexible forms of credit.
  - Develop community recognition or other alternative “credit” program for nonattainment and other areas (Recommendation 2)

Federal Interagency Liaison Group

- A Federal Inter-Agency Liaison Group should be established to explore issues and opportunities for coordinating land use, energy, transportation and greenhouse gas and air quality goals
  - Develop protocol for federal agencies to analyze significant impacts major rulemakings are likely to have on national land-use, energy, transportation, greenhouse gas and/or air quality programs or objectives
  - Prepare Statements of Effects for the rulemakings with significant impacts and subject the statements to public review and comment (Recommendation 3)

Reducing Demand for Polluting Activities

- Develop programs to focus on reducing public demand for polluting activities, especially nonessential activities, including incentives for encouraging use of lower polluting activities, education programs and tax and use restrictions
  - Social marketing and outreach strategy (e.g., education, labeling programs)
  - Evaluate options for discouraging nonessential activities and encouraging less polluting activities (Recommendation 4)

Statutory Analysis for P2 and EE/RE

- Examine:
  - Existing laws to determine extent to which they authorize pollution prevention strategies through RE/EE measures
  - Cost-effectiveness of such strategies compared to current regulatory strategies
  - Opportunities for pollution prevention-based approaches, both with and without legislative/regulatory change, where such approaches would be more effective from cost- or performance-perspectives
- Identify and delineate prevention-based strategies that achieve national goals and/or allow ancillary GHG emission reductions with little or no net cost (Recommendation 5)

Overcoming Barriers to Clean Energy/Air Quality Integration

- Work with multiple entities to determine barriers to clean energy/air quality integration and resolve policy issues
- Serve as facilitator/mediator to ensure consistent approach on EE/RE measures and help resolve policy issues and encourage their inclusion in SIPs/TIPs
- Engage in early discussions regarding EE/RE measures for inclusion in SIP/TIP submittals to help resolve issues
- Provide outreach on interface between CAIR regulations and EE/RE measures in SIPs/TIPs
- Define a sample of EE/RE measures
- Increase awareness of existing EE/RE funding solicitation opportunities
- Identify innovative financing strategies (Recommendation 6)

Taking Climate Change into Account in AQM Strategies

- Taking climate change into account in air quality management strategies, EPA should continue to:
  - Pursue recommendation from Phase 1 that calls for EPA to assist States, and localities, in quantifying potential greenhouse gas co-benefits/disbenefits of emissions reduction measures designed to address ozone, PM2.5, regional haze and air toxics.
  - Undertake comprehensive assessment of implications climate change will have on future air quality objectives and include other Federal agencies and climate change expert scientists in endeavor.
  - Assist states in development of annual GHG emission inventories, including providing, upon request, additional technical assistance to States and tribes to evaluate GHG reduction strategies in conjunction with AQM plans. (Recommendation 7)